Winning the War for Talent

Part II – Some Solutions

By Bob Lavigna

Government agencies must market the unique rewards of a public service career — namely, the opportunity to work in an organization that makes a difference in people's lives.

How well-equipped is your organization to meet the workforce challenges created by massive retirements and a shrinking pool of workers? In the February issue, Part I of this series focused on the dimensions of the war for talent and why government will feel the leading-edge effects of the retirement boom.

If Part I was the bad news, Part II offers good news — proven tactics, already in place, to compete effectively for talent. These include:

- Aggressive recruiting, including marketing public service as a unique opportunity to do important work.
- Timely hiring techniques, such as alternatives to written exams and even "on-the-spot" job offers.
- Using technology to make the hiring process faster and more user-friendly, both for candidates and hiring managers.
- Eliminating outdated laws and regulations like the "rule of three."
- Creating more compensation and benefits flexibility to attract, motivate, and retain talent.
- Developing the next generation of leaders.
- Using workforce planning to identify critical employee competencies and align HR systems around these competencies.

MARKETING PUBLIC SERVICE

Many public employers wistfully remember when government was an "employer of choice." An agency could post a job vacancy on a few bulletin boards and then wait for the flood of well-qualified applicants. In those days, the challenge wasn't to recruit applicants, it was to decide who among the many candidates was the best qualified.

Those days are gone, at least for now. Instead, government must compete in a lightning fast labor market where job seekers have the leverage and the boring or slow employer can't compete.

Bold and creative recruiting can enable government agencies to distinguish themselves as employers of choice. This takes planning, resources, and creativity. Some successful approaches include:

- Aggressive recruiting, often with full-time recruiters who can relate to today's new workers.
- Full-fledged marketing programs, using professional marketing firms, appealing logos and slogans, the Web, and even unconventional media such as ads on movie theatre screens.
- Attractive recruiting materials. Too often, government job ads and Web sites virtually scream out "government" by looking like legal announcements or position descriptions.

New approaches are particularly necessary for hard-to-recruit fields like accounting, where accounting school enrollments are down, in part because most states now require CPA candidates to take 30 hours beyond the standard bachelors' degree. This shortage requires recruiting creativity. For example, several organizations, including government agencies, now recruit stu-

dents with finance degrees who have also taken accounting courses. Some organizations even recruit college sophomores to try to influence their career decisions.

Above all, government agencies need to market the unique rewards of a public service career — namely, the chance to work in an organization that makes a difference in people's lives. Not many private sector jobs can make that claim.

We also know that today's workers expect to have several careers. A single government organization, because of its size, complexity, and diversity, can provide the opportunity to change careers, while staying in that same organization. That's the message the recruit needs to hear in order to counteract the perception that government is boring, ineffective, and slow-paced. Moreover, to balance work and personal life, government agencies should encourage flexible work hours, compressed workweeks, and even alternative arrangements such as telecommuting.

MAKING HIRING FASTER AND MORE USER-FRIENDLY

Of course, recruiting only works if the recruiting agency can actually hire candidates. That means finding ways to be more flexible and cut rigid "red tape" — laws, rules, and processes that can make government hiring an endurance contest. The best candidates don't have to wait for vacancies to be announced, take tests, and then wait for test results, interviews, and decisions. This approach is the recipe for hiring the "best of the desperate."

Hiring can be faster when managers are given more authority, including the ability to announce vacancies, recruit, screen candidates, decide who are best qualified, interview, and negotiate salary and conditions (such as giving a new recruit a lump sum of leave). Of course, managers must use their discretion within preset parameters.

Other hiring approaches include doing away with residency requirements and using alternatives to written exams. To be more competitive with the private sector, some government agencies now allow candidates to submit cover letters and structured resumes.

Some agencies even use brief self-assessment checklists that enable candidates to be immediately assessed as qualified or unqualified. Candidates can then be interviewed immediately, sometimes "on the spot" at career fairs or on college campuses.

In some jurisdictions, the "test" is simply whether a candidate has earned a recognized professional license or certification like a CPA, engineering license, or nursing registry. A candidate with the required credential can be interviewed immediately.

In many cases, the key to approaches like these is eliminating arbitrary restrictions on the number of candidates who can be interviewed, such as the "rule of three." If a jurisdiction has to rate and rank candidates to determine the top three or five, it may not be able to use faster screening approaches that sort candidates into "qualified" and "unqualified," or into multiple categories such as "best qualified," "qualified," and "unqualified."

The good news is that many public jurisdictions have eliminated these arbitrary certification rules. The federal government, for example, recently did away with the longstanding rule of three.

USING TECHNOLOGY

Technology is revolutionizing hiring, as federal, state, and local jurisdictions use online application and screening tools. It's important, however, that online systems allow candidates to provide all information via the Web. Some jurisdictions advertise "online" systems that require candidates to download and print applications, or attach applications to e-mails. These are not truly online systems, and they're not competitive.

The best systems allow candidates to apply online and also deliver immediate e-mail confirmations to the applicants. Some systems can even create candidate "skill banks" that hiring managers can access to "order" candidates based on skill needs. Some public organizations using written tests now offer computerized testing with immediate scoring, which cuts down hiring time.

CREATING COMPENSATION FLEXIBILITY

Jonathan Walters, a longtime chronicler of public sector HR, wrote in *Governing* magazine: "Building and supporting a culture that says, 'We recognize and reward exceptional effort and results' should be the primary goal of every employer's compensation and reward program."

In other words, compensation must be used strategically to make the most difference. This means abandoning systems that rely on rigid across-the-board raises, or reclassifications to raise salaries. Managers should be able to use their discretion (within standard guidelines) to hire above the minimum, and give raises and bonuses for good performance and retention. Bonuses are particularly useful because they don't permanently raise salary levels.

One related innovation is the trend to reduce the number of job classifications and replace multiple, but related, classifications with broader pay ranges. This "broadbanding" gives managers greater flexibility to recruit at higher pay levels and reward good employees without having to reclassify or promote just to increase pay.

Of course, performance-based pay must be based on valid and reliable performance evaluations. One county implemented a performance-based pay system linked to a completely redesigned performance management/evaluation system. The new pay and performance management sys-

tems were developed in cooperation with the employee union. Employees report that they now have a much better understanding of job duties and expectations. In this county, performance-based pay did *not* increase total compensation costs.

Other compensation approaches include:

- Gainsharing, which awards bonuses based on documented savings and/or improved productivity. When bonuses are linked to documented savings, gainsharing plans do not have to increase costs.

- Loan re-payment programs, which are viewed very positively by employees with college loans. This can pay dividends in greater loyalty and longevity.

NEW APPROACHES TO BENEFITS

Public sector organizations also realize that today's worker wants better, and more flexible, benefits. This includes deferred compensation plans (with employer matching), cafeteria health plans, "unileave," flexible work arrangements, on-site child care, domestic partner benefits, and on-site fitness facilities (and even subsidized health club memberships).

Beyond the individual components of pay and benefits, some public employers have adopted a "total compensation" approach. Too often, employees focus only on the amount on their pay stubs. By calculating and publishing the dollar value of benefits, which often add another 30 to 40 percent to compensation, employers can paint a much more competitive picture that helps recruiting and retention.

DEVELOPING NEW LEADERS

As we discussed in Part I, government faces an enormous talent shortage. As the "age bubble" moves through the workforce, agencies will not only face worker shortages overall, but will also face leader-ship crises as our most experienced leaders retire.

So, the challenge is to develop tomorrow's leaders today. Individual managers have many tactics to develop leaders, such as regularly challenging employees, giving them more responsibility in reasonable doses, rewarding and advancing good performers, and creating a mentoring culture to help developing leaders learn from the more experienced.

On a broader level, organizations need systems to develop new leaders, including:

- Succession planning to identify and nurture talent.

- Formal leadership development programs that include training and developmental assignments.

- Agency or jurisdiction wide programs to allow emerging leaders to interact with colleagues in other agencies or business units.

- Assessment centers to systemically identify key competencies, individual competency levels, and strategies to close gaps.

- "Action learning," which allows developing leaders to solve real problems, not just work on artificial case studies.

- Developing leaders at all levels, including new employees. It's never too early to nurture leadership.

USING WORKFORCE PLANNING TO ALIGN HR WITH BUSINESS DIRECTION

To be successful, the specific tactics we've discussed must be part of a strategic workforce plan — the road map to ensure that the right people with the right skills are in the right places at the right times. Basic workforce planning involves:

1. Analyzing the current workforce and capabilities (the people and competencies currently available).

2. Identifying future workforce needs (people and competencies needed to achieve strategic objectives).

3. Comparing the current workforce to future workforce needs to identify people and competency imbalances (gaps and surpluses).

4. Developing HR policies and approaches to build the future workforce (eliminate the gaps and surpluses).

5. Devising a permanent process to ensure that workforce needs and capabilities are continually assessed, gaps are identified, and strategies to eliminate imbalances are put in place.

Ideally, workforce planning will produce new policies, approaches, and processes in all HR areas. These components must link together, as a system, to build the workforce and competencies critical to long-term success.

Succeeding in the war for talent requires strategic workforce planning and tactics that fit an organization's mission, strategy, budget, culture, and political environment. With planning, boldness and perseverance, the public sector *can* succeed in once again becoming an employer of choice. ∎

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